

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company for Approval of an Agreement Concerning Certain Generation Assets Known As “Contra Costa 8” Pursuant to A Settlement and Release of Claims Agreement Approved by the Commission on January 14, 2005, for Authority to Recommence Construction, and for Adoption of Cost Recovery and Ratemaking Mechanisms Related to the Acquisition, Completion, and Operation of the Assets.

Application 05-06-029
(Filed June 17, 2005)

(U 39 E)

**ADMINISTRATIVE LAW JUDGE’S RULING
SETTING PREHEARING CONFERENCE**

Summary

A prehearing conference (PHC) is set for Thursday, August 11, 2005, at 10:00 a.m., at the Commission’s Courtroom, State Office Building. 505 Van Ness Avenue (at McAllister), San Francisco, California.

Background

On June 17, 2005, Pacific Gas and Electric Company (PG&E) filed an application seeking Commission authorization for approval of an Asset Transfer Agreement (ATA) concerning certain generation assets known as “Contra Costa 8” pursuant to a settlement and release of all claims agreement approved

by the Commission on January 14, 2005.¹ PG&E seeks approval of the ATA and ancillary agreements, and for authorization to complete construction, along with requested funding and cost recovery mechanisms, under which PG&E may accept, complete and operate a new combined cycle electric generating facility to be known as Contra Costa 8 (CC8).

The January 14, 2005 Mirant Settlement gave PG&E the option to negotiate an ATA for CC8, and PG&E and the Mirant parties have negotiated such an agreement that PG&E argues is beneficial for its customers. PG&E estimates that the facility can be completed for a cost of \$310 million and will provide a facility by the summer of 2008 that will produce 530 Megawatts (MW) of generation. PG&E also requests approval of cost recovery and ratemaking mechanisms for CC8.

Notice of PG&E's application appeared on the Commission's Daily Calendar on June 21, 2005, with protests due July 21, 2005. Following the August 11, 2005 PHC, a scoping memo/Assigned Commissioner's Ruling (ACR) will issue setting forth the scope of the proceeding, including relevant issues raised in the protests.

Schedule

PG&E anticipates that hearings will be requested and set forth the following proposed schedule in its application, which comports with the Commission's schedule except for the dates set for the evidentiary hearings (EHs).²

¹ The "Mirant Settlement."

² PG&E proposed beginning the EHs on October 10, 2005, but that is a state holiday.

Interested Party Testimony	September 14, 2005
Concurrent Rebuttal Testimony	September 28, 2005
Evidentiary Hearings	October 17 – 21, 2005

Parties should be prepared at the PHC to discuss the schedule as proposed by PG&E, with the modification that EHs be held October 17 – 21, 2005, and the briefing scheduled amended to reflect this change.

Service List

The service list for A.05-06-029 will be established at the PHC. Participants will be asked whether they want “party” status, with full participation rights, or “information only” status to receive notices.

IT IS RULED that a prehearing conference is scheduled for Thursday, August 11, 2005, at 10:00 a.m., at the Commission’s Courtroom, State Office Building, 505 Van Ness Avenue, San Francisco, California.

Dated July 11, 2005, at San Francisco, California.

/s/ CAROL A. BROWN

Carol A. Brown
Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail, and by electronic mail to the parties for whom an electronic mail address has been provided, this day served a true copy of the original attached Administrative Law Judge's Ruling Setting Prehearing Conference on all parties of record in this proceeding and in Rulemaking 04-04-003 or their attorneys of record.

Dated July 11, 2005, at San Francisco, California.

/s/ FANNIE SID

Fannie Sid

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074,

A.05-06-029 CAB/sid

TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.